

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	123
Indemnity	45
Medical Only	53
Denied	25
Complaints	0
Additional Files	0

Audit No: VNO-05-98-R-2

Type: SI

Subject: American Building Maintenance, Inc.

Location: Los Angeles

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	14	\$2,260	\$2,260	\$0		x
2	2	\$1,400	\$1,400	\$0		x
3	0	\$0	\$0	\$0		x
4	20	\$975	\$975	\$0		x
5	0	\$0	\$0	\$0		x
6	8	\$800	\$800	\$0		x
7	16	\$1,075	\$1,075	\$0		x
8	33	\$1,575	\$1,575	\$0		x
9	7	\$550	\$550	\$0		x
10	1	\$25	\$25	\$0		x
11	0	\$0	\$0	\$0		x
12	8	\$3,860	\$3,860	\$0		x
13	4	\$1,480	\$1,480	\$0		x
14	2	\$620	\$620	\$0		x
15	5	\$1,800	\$1,800	\$0		x
16	2	\$800	\$800	\$0		x
17	0	\$0	\$0	\$0		x
18 a	3	\$1,300	\$1,300	\$0		x
18 b	1	\$750	\$750	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	2	\$100	\$100	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	1	\$20	\$20	\$0		x
20 a	10	\$250	\$250	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	5	\$300	\$300	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	144	\$19,940	\$19,940	\$0		x

Calendar Year: 1998
Notices of Compensation Due

Exhibit IV

Audit No: VNO-05-98-R-2

Subject: American Building Maintenance, Inc.

Location: Los Angeles

Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$33.85	\$2,714.00		\$3.39			\$37.24
2	\$94.86						\$94.86
3				\$13.81			\$13.81
4	\$635.72						\$635.72
5				\$271.40			\$2,985.40
6				\$20.92			\$20.92
Totals:	\$764.43	\$2,714.00	\$0.00	\$309.52	\$0.00	\$0.00	\$3,787.95

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: VNO-05-98-R-2

Subject: American Building Maintenance

Location: Los Angeles

Type: SI

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	43	14	32.56%
2	LATE FIRST PAY OF PD	14	2	14.29%
3	LATE FIRST PAY OF VRMA	3	0	0.00%
4	LATE SUBSEQ INDEM. PAY	32	6	18.75%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	57	7	12.28%
7	LATE BEN. NOTICES (INDEM.,DELAY)	57	13	22.81%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	28	8	28.57%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	25	5	20.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	9	1	11.11%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	13	8	61.54%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	10	4	40.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	5	2	40.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	34	5	14.71%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	22	2	9.09%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	46	6	13.04%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	468	1	0.21%
20	OTHER ASSESSMENTS	123	13	10.57%
21	UNSUPPORTED DENIALS	25	0	0.00%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	337
Indemnity	111
Medical Only	111
Denied	101
Complaints	13
Additional Files	1

Audit No: SFO-01-98-R-5 **Type: INS**

Subject: American International Group

Location: San Francisco

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	48	\$3,480	\$3,480	\$0		x
2	15	\$5,610	\$5,610	\$0		x
3	0	\$0	\$0	\$0		x
4	55	\$10,350	\$10,350	\$0		x
5	1	\$1,000	\$1,000	\$0		x
6	49	\$4,900	\$4,900	\$0		x
7	111	\$7,510	\$7,510	\$0		x
8	228	\$12,895	\$12,895	\$0		x
9	9	\$640	\$640	\$0		x
10	1	\$80	\$80	\$0		x
11	1	\$300	\$300	\$0		x
12	12	\$4,820	\$4,820	\$0		x
13	17	\$6,400	\$6,400	\$0		x
14	2	\$1,000	\$1,000	\$0		x
15	27	\$10,220	\$10,220	\$0		x
16	3	\$560	\$560	\$0		x
17	1	\$100	\$100	\$0		x
18 a	11	\$2,050	\$2,050	\$0		x
18 b	1	\$400	\$400	\$0		x
18 c	1	\$100	\$100	\$0		x
18 d	19	\$1,410	\$1,410	\$0		x
18 e	1	\$200	\$200	\$0		x
18 f	0	\$0	\$0	\$0		x
19	9	\$720	\$720	\$0		x
20 a	50	\$2,275	\$2,275	\$0		x
20 b	7	\$3,250	\$3,250	\$0		x
20 c	1	\$1,000	\$1,000	\$0		x
20 d	20	\$1,750	\$1,750	\$0		x
21	4	\$12,250	\$12,250	\$0		x
Totals:	704	\$95,270	\$95,270	\$0		x

Calendar Year: 1998
Notices of Compensation Due

Exhibit IV
page 1 of 2

Audit No: SFO-01-98-R-5

Subject: American International Group

Location: San Francisco

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$622.29			\$4.62			\$626.91
2	\$67.59						\$67.59
3				\$109.20			\$109.20
4				\$42.30			\$42.30
5				\$14.00			\$14.00
6				\$59.89			\$59.89
7	\$125.26						\$125.26
8				\$508.46			\$508.46
9			\$23.13				\$23.13
10						\$38.10	\$38.10
11	\$29.94			\$39.97			\$69.91
12	\$132.32						\$132.32
13	\$100.86	\$1,580.00		\$169.93			\$1,850.79
14				\$22.00			\$22.00
15				\$96.00			\$96.00
16	\$53.54						\$53.54
17	\$241.73			\$24.17			\$265.90
18				\$78.43			\$78.43
19	\$67.89						\$67.89
20		\$50.00					\$50.00
21				\$325.81			\$325.81
Sub-totals:	\$1,441.42	\$1,630.00	\$23.13	\$1,494.78	\$0.00	\$38.10	\$4,627.43

Notices of Compensation Due

Exhibit IV

page 2 of 2

Audit No: SFO-01-98-R-5

Subject: American International Group

Location: San Francisco

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
22	\$187.82			\$99.57			\$99.57
23				\$187.82			
24				\$106.44			
25				\$76.00			

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: SFO-01-98-R-5

Subject: American International Group

Location: San Francisco

Type: INS

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	69	36	52.17%
2	LATE FIRST PAY OF PD	24	12	50.00%
3	LATE FIRST PAY OF VRMA	5	0	0.00%
4	LATE SUBSEQ INDEM. PAY	44	11	25.00%
5	LATE PAY OF DEATH BENEFITS	1	1	100.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	121	36	29.75%
7	LATE BEN. NOTICES (INDEM.,DELAY)	122	65	53.28%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	88	31	35.23%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	46	4	8.70%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	11	1	9.09%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	#DIV/0!
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	13	10	76.92%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	15	10	66.67%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	5	2	40.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	67	22	32.84%
16	FAIL TO ISSUE DENIAL NOTICE AS REQ.	100	3	3.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	92	16	17.39%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	16,038	9	0.06%
20	OTHER ASSESSMENTS	323	63	19.50%
21	UNSUPPORTED DENIALS	101	4	3.96%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	18
Indemnity	11
Medical Only	3
Denied	3
Complaints	1
Additional Files	0

Audit No: WCK-05-98-NR-1 **Type:** INS
Subject: American States Insurance Company
Location: San Ramon

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	0	\$0	\$0	\$0		x
2	1	\$80	\$80	\$0		x
3	1	\$60	\$60	\$0		x
4	3	\$375	\$375	\$0		x
5	0	\$0	\$0	\$0		x
6	1	\$80	\$80	\$0		x
7	3	\$270	\$270	\$0		x
8	28	\$1,540	\$1,540	\$0		x
9	1	\$45	\$45	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	1	\$500	\$500	\$0		x
13	1	\$500	\$500	\$0		x
14	0	\$0	\$0	\$0		x
15	1	\$500	\$500	\$0		x
16	0	\$0	\$0	\$0		x
17	1	\$100	\$100	\$0		x
18 a	0	\$0	\$0	\$0		x
18 b	0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	1	\$60	\$60	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	1	\$60	\$60	\$0		x
20 a	3	\$75	\$75	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	4	\$2,500	\$2,500	\$0		x
20 d	0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	51	\$6,745	\$6,745	\$0		x

Exhibit IV

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$19.48			\$19.48
Totals:	\$0.00	\$0.00	\$0.00	\$19.48	\$0.00	\$0.00	\$19.48

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: WCK-05-98-NR-1

Subject: American States Insurance Company

Location: San Ramon

Type: INS

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	2	0	0.00%
2	LATE FIRST PAY OF PD	1	0	0.00%
3	LATE FIRST PAY OF VRMA	1	1	100.00%
4	LATE SUBSEQ INDEM. PAY	2	2	100.00%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	2	0	0.00%
7	LATE BEN. NOTICES (INDEM.,DELAY)	2	1	50.00%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	4	3	75.00%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	2	0	0.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	1	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	1	1	100.00%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	1	0	0.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	0	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	2	1	50.00%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	3	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	5	1	20.00%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	17	1	Less than 10
20	OTHER ASSESSMENTS	17	1	5.88%
21	UNSUPPORTED DENIALS	3	0	0.00%

Corrected 6/9/99

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	183
Indemnity	56
Medical Only	66
Denied	56
Complaints	4
Additional Files	1

Audit No: VNO-12-98-R-5 Type: TPA

Subject: Applied Risk Management

Location: Los Angeles

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	10	\$1,560	\$1,560	\$0		x
2	7	\$3,070	\$3,070	\$0		x
3	2	\$90	\$90	\$0		x
4	10	\$325	\$325	\$0		x
5	0	\$0	\$0	\$0		x
6	19	\$1,900	\$1,900	\$0		x
7	14	\$770	\$770	\$0		x
8	32	\$1,400	\$1,400	\$0		x
9	18	\$1,075	\$1,075	\$0		x
10	7	\$350	\$350	\$0		x
11	0	\$0	\$0	\$0		x
12	6	\$2,280	\$2,280	\$0		x
13	5	\$1,220	\$1,220	\$0		x
14	0	\$0	\$0	\$0		x
15	7	\$3,100	\$3,100	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	1	\$1,000	\$1,000	\$0		x
18 b	1	\$400	\$400	\$0		x
18 c	1	\$100	\$100	\$0		x
18 d	2	\$200	\$200	\$0		x
18 e	3	\$2,400	\$2,400	\$0		x
18 f	0	\$0	\$0	\$0		x
19	2	\$120	\$120	\$0		x
20 a	22	\$550	\$550	\$0		x
20 b	1	\$250	\$250	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	5	\$400	\$400	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	175	\$22,560	\$22,560	\$0		x

Calendar Year: 1998

Exhibit IV

Notices of Compensation Due

Audit No: VNO-12-98-R-5

Subject: Applied Risk Management

Location: Los Angeles

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self- imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$3,856.05	\$1,494.00	\$29.52	\$229.74		\$690.45	\$1,723.74
2				\$280.00			\$280.00
3				\$300.55			\$4,847.05
4							\$29.52
Totals:	\$3,856.05	\$1,494.00	\$29.52	\$810.29	\$0.00	\$690.45	\$6,880.31

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: VNO-12-98-R-5

Subject: Applied Risk Management

Location: Los Angeles

Type: TPA

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	42	8	19.05%
2	LATE FIRST PAY OF PD	12	6	50.00%
3	LATE FIRST PAY OF VRMA	4	2	50.00%
4	LATE SUBSEQ INDEM. PAY	26	3	11.54%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	77	13	16.88%
7	LATE BEN. NOTICES (INDEM.,DELAY)	77	13	16.88%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	24	6	25.00%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	30	8	26.67%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	14	2	14.29%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	9	5	55.56%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	8	5	62.50%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	4	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	44	6	13.64%
16	FAIL TO ISSUE DENIAL NOTICE AS REQ.	55	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	46	4	8.70%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	178	1	0.56%
20	OTHER ASSESSMENTS	178	14	7.87%
21	UNSUPPORTED DENIALS	56	0	0.00%

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	270
Indemnity	136
Medical Only	67
Denied	58
Complaints	9
Additional Files	0

Audit No: WCK-02-98-R-1 Type: INS

Subject: California Indemnity Insurance

Location: Pleasanton

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	66	\$4,885	\$4,885	\$0		x
2	2	\$600	\$600	\$0		x
3	2	\$55	\$55	\$0		x
4	42	\$7,245	\$7,245	\$0		x
5	0	\$0	\$0	\$0		x
6	56	\$5,600	\$5,600	\$0		x
7	66	\$4,150	\$4,150	\$0		x
8	63	\$4,100	\$4,100	\$0		x
9	6	\$500	\$500	\$0		x
10	1	\$75	\$75	\$0		x
11	0	\$0	\$0	\$0		x
12	11	\$5,060	\$5,060	\$0		x
13	7	\$3,280	\$3,280	\$0		x
14	1	\$500	\$500	\$0		x
15	12	\$5,220	\$5,220	\$0		x
16	1	\$200	\$200	\$0		x
17	0	\$0	\$0	\$0		x
18 a	18	\$4,740	\$4,740	\$0		x
18 b	2	\$1,900	\$1,900	\$0		x
18 c	2	\$1,020	\$1,020	\$0		x
18 d	28	\$2,290	\$2,290	\$0		x
18 e	3	\$2,240	\$2,240	\$0		x
18 f	5	\$600	\$600	\$0		x
19	1	\$60	\$60	\$0		x
20 a	48	\$1,200	\$1,200	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	3	\$1,100	\$1,100	\$0		x
20 d	28	\$3,950	\$3,950	\$0		x
21	1	\$3,000	\$3,000	\$0		x
Totals:	475	\$63,570	\$63,570	\$0		x

Calendar Year: 1998
Notices of Compensation Due

Exhibit IV
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Audit No: WCK-02-98-R-1

Subject: California Indemnity Insurance

Location: Pleasanton **Type:** INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1			\$1,132.06			\$57.01	\$1,189.07
2				\$89.60			\$89.60
3		\$68.16		\$33.49			\$101.65
4	\$59.43						\$59.43
5			\$1,698.70	\$184.63			\$1,883.33
6		\$11,282.01		\$1,500.31			\$12,782.32
7	\$1,722.93		\$1,482.00	\$131.43			\$3,336.36
8	\$57.33			\$1.51			\$58.84
9	\$480.00			\$48.00			\$528.00
10	\$134.46			\$125.50			\$259.96
11	\$280.00			\$28.00			\$308.00
12	\$214.84			\$21.48			\$236.32
13	\$31.30			\$68.86			\$100.16
14		\$2,184.00		\$218.40		\$10.93	\$2,413.33
15				\$89.60			\$89.60
16				\$208.53			\$208.53
17				\$13.83			\$13.83
18	\$205.74						\$205.74
19	\$119.31			\$9.69			\$129.00
20	\$657.32						\$657.32
21	\$23.81						\$23.81
Sub-totals:	\$3,986.47	\$13,534.17	\$4,312.76	\$2,772.86	\$0.00	\$67.94	\$24,674.20

Notices of Compensation Due

Exhibit IV

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Audit No: WCK-02-98-R-1

Subject: California Indemnity Insurance

Location: Pleasanton

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
22				\$220.52			\$220.52
23	\$200.61			\$70.12			\$270.73
24	\$24.52						\$24.52
25						\$35.07	\$35.07
26	\$7.90			\$69.17			\$77.07
27	\$84.87						\$84.87
28	\$111.38			\$11.14			\$122.52
29				\$268.00		\$31.01	\$299.01
30				\$181.18			\$181.18
Totals:	\$4,415.75	\$13,534.17	\$4,312.76	\$3,592.99	\$0.00	\$134.02	\$25,989.69

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: WCK-02-98-R-1

Subject: California Indemnity Insurance

Location: Pleasanton

Type: INS

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	80	57	71.25%
2	LATE FIRST PAY OF PD	10	1	10.00%
3	LATE FIRST PAY OF VRMA	5	1	20.00%
4	LATE SUBSEQ INDEM. PAY	42	17	40.48%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	108	36	33.33%
7	LATE BEN. NOTICES (INDEM.,DELAY)	107	55	51.40%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	89	23	25.84%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	16	4	25.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	5	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	19	9	47.37%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	8	6	75.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	5	1	20.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	27	11	40.74%
16	FAIL TO ISSUE DENIAL NOTICE AS REQ.	58	1	1.72%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	86	29	33.72%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	18,897	1	0.01%
20	OTHER ASSESSMENTS	261	43	16.48%
21	UNSUPPORTED DENIALS	58	1	1.72%

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	177
Indemnity	55
Medical Only	65
Denied	47
Complaints	8
Additional Files	2

Audit No: VNO-06-98-NR-1 Type: INS

Subject: Chubb Group of Insurance Companies

Location: Los Angeles

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	4	\$200	\$200	\$0		x
2	4	\$595	\$595	\$0		x
3	1	\$100	\$100	\$0		x
4	13	\$780	\$780	\$0		x
5	0	\$0	\$0	\$0		x
6	24	\$2,400	\$2,400	\$0		x
7	11	\$620	\$620	\$0		x
8	38	\$2,625	\$2,625	\$0		x
9	20	\$1,700	\$1,700	\$0		x
10	6	\$440	\$440	\$0		x
11	0	\$0	\$0	\$0		x
12	6	\$2,360	\$2,360	\$0		x
13	3	\$1,000	\$1,000	\$0		x
14	1	\$300	\$300	\$0		x
15	8	\$3,100	\$3,100	\$0		x
16	5	\$1,220	\$1,220	\$0		x
17	0	\$0	\$0	\$0		x
18 a	8	\$3,350	\$3,350	\$0		x
18 b	2	\$950	\$950	\$0		x
18 c	1	\$500	\$500	\$0		x
18 d	3	\$300	\$300	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	11	\$700	\$700	\$0		x
20 a	25	\$625	\$625	\$0		x
20 b	1	\$500	\$500	\$0		x
20 c	1	\$500	\$500	\$0		x
20 d	11	\$1,000	\$1,000	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	207	\$25,865	\$25,865	\$0		x

Calendar Year: 1998
Notices of Compensation Due

Exhibit IV

Audit No: VNO-06-98-NR-1

Subject: Chubb Group of Insurance Companies

Location: Los Angeles

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$23.38	\$2,480.00	\$3,366.21	\$250.34			\$2,753.72
2		\$3,034.50		\$303.45			\$3,337.95
3	\$157.79			\$15.78			\$173.57
4		\$27.15		\$505.54			\$532.69
5	\$1,413.96						\$4,780.17
6	\$2,450.00			\$0.20			\$2,450.20
7				\$531.54			\$531.54
8				\$200.00			\$200.00
9	\$269.59						\$269.59
Totals:	\$4,314.72	\$5,541.65	\$3,366.21	\$1,806.85	\$0.00	\$0.00	\$15,029.43

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: VNO-06-98-NR-01

Subject: Chubb Group of Insurance Companies

Location: Los Angeles

Type: INS

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	30	2	6.67%
2	LATE FIRST PAY OF PD	15	3	20.00%
3	LATE FIRST PAY OF VRMA	2	1	50.00%
4	LATE SUBSEQ INDEM. PAY	25	2	8.00%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	70	14	20.00%
7	LATE BEN. NOTICES (INDEM.,DELAY)	70	6	8.57%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	38	4	10.53%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	28	5	17.86%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	3	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	7	6	85.71%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	5	1	20.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	1	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	37	4	10.81%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	47	4	8.51%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	43	7	16.28%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	3,219	9	0.28%
20	OTHER ASSESSMENTS	167	20	11.98%
21	UNSUPPORTED DENIALS	47	0	0.00%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	134
Indemnity	45
Medical Only	61
Denied	28
Complaints	0
Additional Files	0

Audit No: AHM-08-98-R-6

Type: SI

Subject: City of Anaheim

Location: Anaheim

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	0	\$0	\$0	\$0		x
2	2	\$150	\$150	\$0		x
3	0	\$0	\$0	\$0		x
4	4	\$155	\$155	\$0		x
5	0	\$0	\$0	\$0		x
6	2	\$160	\$160	\$0		x
7	3	\$160	\$160	\$0		x
8	18	\$675	\$675	\$0		x
9	0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0		x
13	3	\$1,340	\$360	\$980	x	
14	0	\$0	\$0	\$0		x
15	8	\$1,800	\$1,800	\$0		x
16	1	\$80	\$80	\$0		x
17	0	\$0	\$0	\$0		x
18 a	0	\$0	\$0	\$0		x
18 b	0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	0	\$0	\$0	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0		x
20 a	1	\$25	\$25	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	4	\$250	\$250	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	46	\$4,795	\$3,815	\$980		x

Two penalties for failure to issue a Notice of Potential Eligibility for vocational rehabilitation services as required were appealed. The appeal has not yet been resolved.

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: AHM-08-98-R-6

Subject: City of Anaheim

Location: Anaheim

Type: SI

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	7	0	0.00%
2	LATE FIRST PAY OF PD	15	3	20.00%
3	LATE FIRST PAY OF VRMA	0	0	0.00%
4	LATE SUBSEQ INDEM. PAY	15	1	6.67%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	58	2	3.45%
7	LATE BEN. NOTICES (INDEM.,DELAY)	58	3	5.17%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	26	5	19.23%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	18	0	0.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	5	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	4	0	0.00%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	4	3	75.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	1	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	38	8	21.05%
16	FAIL TO ISSUE DENIAL NOTICE AS REQ.	28	1	3.57%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	20	0	0.00%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	921	0	0.00%
20	OTHER ASSESSMENTS	134	2	1.49%
21	UNSUPPORTED DENIALS	28	0	0.00%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	151
Indemnity	49
Medical Only	60
Denied	42
Complaints	0
Additional Files	0

Audit No: VNO-11-98-R-6

Type: SI

Subject: City of Riverside

Location: Riverside

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	2	\$150	\$150	\$0		x
2	6	\$705	\$705	\$0		x
3	0	\$0	\$0	\$0		x
4	15	\$1,000	\$1,000	\$0		x
5	0	\$0	\$0	\$0		x
6	13	\$1,300	\$1,300	\$0		x
7	7	\$375	\$375	\$0		x
8	3	\$225	\$225	\$0		x
9	0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	1	\$300	\$300	\$0		x
13	1	\$400	\$400	\$0		x
14	0	\$0	\$0	\$0		x
15	6	\$2,100	\$2,100	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	1	\$100	\$100	\$0		x
18 b	0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	11	\$900	\$900	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	1	\$25	\$25	\$0		x
19	0	\$0	\$0	\$0		x
20 a	14	\$350	\$350	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	2	\$100	\$100	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	83	\$8,030	\$8,030	\$0		x

Calendar Year: 1998

Exhibit IV

Notices of Compensation Due

Audit No: VNO-11-98-R-6

Subject: City of Riverside

Location: Riverside

Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self- imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$73.92			\$168.00		\$1.01	\$168.00
2				\$84.00			\$84.00
3				\$136.50			\$137.51
4				\$154.00			\$154.00
5				\$274.00			\$274.00
6				\$27.72			\$101.64
7				\$56.00			\$56.00
Totals:	\$73.92	\$0.00	\$0.00	\$900.22	\$0.00	\$1.01	\$975.15

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: VNO-11-98-R-6

Subject: City of Riverside

Location: Riverside

Type: SI

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	5	1	20.00%
2	LATE FIRST PAY OF PD	22	6	27.27%
3	LATE FIRST PAY OF VRMA	2	0	0.00%
4	LATE SUBSEQ INDEM. PAY	21	5	23.81%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	44	10	22.73%
7	LATE BEN. NOTICES (INDEM.,DELAY)	44	5	11.36%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	23	3	13.04%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	31	0	0.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	7	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	6	1	16.67%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	6	1	16.67%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	2	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	30	6	20.00%
16	FAIL TO ISSUE DENIAL NOTICE AS REQ.	42	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	35	7	20.00%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	921	0	0.00%
20	OTHER ASSESSMENTS	151	13	8.61%
21	UNSUPPORTED DENIALS	42	0	0.00%

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	253
Indemnity	124
Medical Only	66
Denied	57
Complaints	6
Additional Files	0

Audit No: AHM-05-98-R-6

Type: SI

Subject: City of San Diego

Location: San Diego

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	1	\$40	\$40	\$0		x
2	17	\$6,610	\$6,610	\$0		x
3	1	\$60	\$60	\$0		x
4	9	\$3,065	\$3,065	\$0		x
5	0	\$0	\$0	\$0		x
6	60	\$6,000	\$6,000	\$0		x
7	72	\$5,460	\$5,460	\$0		x
8	125	\$10,785	\$10,785	\$0		x
9	3	\$150	\$150	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	6	\$2,300	\$2,300	\$0		x
13	8	\$2,160	\$2,160	\$0		x
14	2	\$740	\$740	\$0		x
15	12	\$4,240	\$4,240	\$0		x
16	2	\$160	\$160	\$0		x
17	0	\$0	\$0	\$0		x
18 a	1	\$120	\$120	\$0		x
18 b	10	\$4,780	\$4,780	\$0		x
18 c	1	\$120	\$120	\$0		x
18 d	18	\$1,670	\$1,670	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	5	\$400	\$400	\$0		x
20 a	15	\$375	\$375	\$0		x
20 b	1	\$1,000	\$1,000	\$0		x
20 c	1	\$5,000	\$5,000	\$0		x
20 d	5	\$550	\$550	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	375	\$55,785	\$55,785	\$0		x

Calendar Year: 1998

Exhibit IV

Notices of Compensation Due

Audit No: AHM-05-98-R-6

Subject: City of San Diego

Location: San Diego

Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$64.00	\$988.55	\$99.42	\$174.86			\$1,262.83
2				\$551.10			\$551.10
3				\$65.20			\$129.20
4				\$633.50			\$633.50
5				\$1,321.37			\$1,321.37
6				\$40.00			\$40.00
7		\$294.00		\$121.40			\$415.40
8				\$60.00			\$60.00
9		\$1,900.00		\$290.00			\$2,190.00
10		\$20.00		\$2.00			\$22.00
11		\$2,090.00		\$209.00			\$2,299.00
12				\$28.00			\$28.00
13				\$17.60			\$17.60
14				\$651.50			\$651.50
15		\$22.57		\$194.12			\$216.69
16		\$5,298.32		\$1,107.03			\$6,405.35
17		\$46.00		\$4.60			\$50.60
18		\$1,425.85		\$308.00			\$1,733.85
19		\$2,908.57		\$198.86			\$3,107.43
Totals:	\$64.00	\$14,993.86	\$99.42	\$5,978.14	\$0.00	\$0.00	\$21,135.42

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: AHM-05-98-R-6

Subject: City of San Diego

Location: San Diego

Type: SI

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	13	1	7.69%
2	LATE FIRST PAY OF PD	32	17	53.13%
3	LATE FIRST PAY OF VRMA	10	1	10.00%
4	LATE SUBSEQ INDEM. PAY	35	7	20.00%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	90	40	44.44%
7	LATE BEN. NOTICES (INDEM.,DELAY)	89	51	57.30%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	53	19	35.85%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	43	3	6.98%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	17	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	20	6	30.00%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	21	8	38.10%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	5	2	40.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	36	12	33.33%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	57	2	3.51%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	82	19	23.17%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	5	5	107.50%
20	OTHER ASSESSMENTS	247	19	7.69%
21	UNSUPPORTED DENIALS	57	0	0.00%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	172
Indemnity	54
Medical Only	55
Denied	63
Complaints	0
Additional Files	0

Audit No: VNO-03-98-R06

Type: SI

Subject: County of Kern

Location: Bakersfield

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	3	\$125	\$125	\$0		x
2	5	\$815	\$815	\$0		x
3	0	\$0	\$0	\$0		x
4	12	\$850	\$850	\$0		x
5	0	\$0	\$0	\$0		x
6	12	\$920	\$920	\$0		x
7	15	\$700	\$700	\$0		x
8	0	\$0	\$0	\$0		x
9	3	\$135	\$135	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	2	\$700	\$700	\$0		x
13	0	\$0	\$0	\$0		x
14	1	\$500	\$500	\$0		x
15	5	\$1,900	\$1,900	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	1	\$300	\$300	\$0		x
18 b	0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	9	\$875	\$875	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0		x
20 a	13	\$325	\$325	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	81	\$8,145	\$8,145	\$0		x

Calendar Year: 1998
Notices of Compensation Due

Exhibit IV

Audit No: VNO-03-98-R-6

Subject: County of Kern

Location: Bakersfield

Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self- imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$741.74			\$132.00			\$132.00
2				\$64.00			\$64.00
3				\$320.17			\$1,061.91
4				\$392.00			\$392.00
5				\$297.14			\$297.14
6				\$35.97			\$35.97
7				\$319.00			\$319.00
8				\$92.00			\$92.00
Totals:	\$741.74	\$0.00	\$0.00	\$1,652.28	\$0.00	\$0.00	\$2,394.02

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: VNO-03-98-R-6

Subject: County of Kern

Location: Bakersfield

Type: SI

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	28	3	10.71%
2	LATE FIRST PAY OF PD	11	5	45.45%
3	LATE FIRST PAY OF VRMA	1	0	0.00%
4	LATE SUBSEQ INDEM. PAY	18	4	22.22%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	67	6	8.96%
7	LATE BEN. NOTICES (INDEM.,DELAY)	67	15	22.39%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	24	0	0.00%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	26	2	7.69%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	3	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	7	2	28.57%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	3	0	0.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	3	1	33.33%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	38	5	13.16%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	55	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	0.00%
18	UNPAID INDEMNITY	45	8	17.78%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	2,081	0	0.00%
20	OTHER ASSESSMENTS	172	11	6.40%
21	UNSUPPORTED DENIALS	63	0	0.00%

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	182
Indemnity	58
Medical Only	66
Denied	53
Complaints	5
Additional Files	0

Audit No: SAC-04-98-R-5 **Type: TPA**

Subject: Crawford & Company

Location: Sacramento

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	15	\$2,460	\$2,460	\$0		x
2	7	\$1,970	\$1,970	\$0		x
3	2	\$825	\$825	\$0		x
4	34	\$3,300	\$3,300	\$0		x
5	0	\$0	\$0	\$0		x
6	38	\$3,800	\$3,800	\$0		x
7	29	\$1,980	\$1,980	\$0		x
8	42	\$3,470	\$3,470	\$0		x
9	7	\$550	\$550	\$0		x
10	1	\$60	\$60	\$0		x
11	0	\$0	\$0	\$0		x
12	9	\$3,660	\$3,660	\$0		x
13	7	\$2,760	\$2,760	\$0		x
14	3	\$1,280	\$1,280	\$0		x
15	2	\$800	\$800	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	6	\$1,600	\$1,600	\$0		x
18 b	6	\$3,240	\$3,240	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	20	\$1,590	\$1,590	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	2	\$240	\$240	\$0		x
19	8	\$435	\$435	\$0		x
20 a	21	\$1,000	\$1,000	\$0		x
20 b	1	\$1,000	\$1,000	\$0		x
20 c	2	\$3,500	\$3,500	\$0		x
20 d	13	\$1,225	\$1,225	\$0		x
21	1	\$2,500	\$2,500	\$0		x
Totals:	276	\$43,245	\$43,245	\$0		x

Calendar Year: 1998

Exhibit IV

Notices of Compensation Due

Audit No: SAC-04-98-R-5

Subject: Crawford & Company

Location: Sacramento

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$343.00		\$45.55	\$388.55
2	\$20.00			\$2.00			\$22.00
3	\$107.64			\$119.49			\$227.13
4	\$38.13						\$38.13
5	\$1,975.20			\$236.52			\$2,211.72
6		\$3,880.29		\$550.43			\$4,430.72
7				\$158.40			\$158.40
8				\$320.00			\$320.00
9		\$3,115.00		\$437.50			\$3,552.50
10		\$161.60		\$188.12			\$349.72
11				\$34.00			\$34.00
12						\$36.67	\$36.67
13				\$88.10			\$88.10
14	\$10.09						\$10.09
15		\$1,410.56		\$144.28			\$1,554.84
16				\$105.94			\$105.94
Totals:	\$2,151.06	\$8,567.45	\$0.00	\$2,727.78	\$0.00	\$82.22	\$13,528.51

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: SAC-04-98-R-5

Subject: Crawford & Company

Location: Sacramento

Type: TPA

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	41	11	26.83%
2	LATE FIRST PAY OF PD	25	6	24.00%
3	LATE FIRST PAY OF VRMA	7	2	28.57%
4	LATE SUBSEQ INDEM. PAY	40	14	35.00%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	70	20	28.57%
7	LATE BEN. NOTICES (INDEM.,DELAY)	70	23	32.86%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	25	9	36.00%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	37	6	16.22%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	8	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	16	6	37.50%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	12	4	33.33%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	3	2	66.67%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	37	1	2.70%
16	FAIL TO ISSUE DENIAL NOTICE AS REQ.	53	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	55	16	29.09%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	7,076	7	0.10%
20	OTHER ASSESSMENTS	177	22	12.43%
21	UNSUPPORTED DENIALS	53	1	1.89%

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	130
Indemnity	65
Medical Only	54
Denied	11
Complaints	0
Additional Files	0

Audit No: VNO-08-98-R-5 Type: TPA

Subject: Crawford & Company

Location: Woodland Hills

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	28	\$4,335	\$4,335	\$0		x
2	12	\$3,600	\$3,600	\$0		x
3	0	\$0	\$0	\$0		x
4	84	\$5,415	\$5,415	\$0		x
5	0	\$0	\$0	\$0		x
6	50	\$4,980	\$4,980	\$0		x
7	16	\$1,060	\$1,060	\$0		x
8	72	\$3,710	\$3,710	\$0		x
9	20	\$1,890	\$1,890	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	13	\$5,560	\$5,560	\$0		x
13	10	\$3,860	\$3,860	\$0		x
14	0	\$0	\$0	\$0		x
15	12	\$5,600	\$5,600	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	15	\$5,520	\$5,520	\$0		x
18 b	4	\$1,960	\$1,960	\$0		x
18 c	4	\$2,700	\$2,700	\$0		x
18 d	25	\$2,250	\$2,250	\$0		x
18 e	1	\$360	\$360	\$0		x
18 f	0	\$0	\$0	\$0		x
19	5	\$210	\$210	\$0		x
20 a	29	\$870	\$870	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	9	\$900	\$900	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	409	\$54,780	\$54,780	\$0		x

Calendar Year: 1998
Notices of Compensation Due

Exhibit IV
Page 1 of 2

Audit No: VNO-08-98-R-5

Subject: Crawford & Company

Location: Woodland Hills **Type:** TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1		\$336.00		\$33.60			\$369.60
2				\$40.00			\$40.00
3	\$1,220.66	\$5,120.00		\$172.07			\$6,512.73
4	\$61.70			\$6.17			\$67.87
5	\$302.88			\$38.41			\$341.29
6	\$72.08						\$72.08
7			\$619.56				\$619.56
8				\$27.00			\$27.00
9				\$54.88			\$54.88
10	\$354.53			\$139.22			\$493.75
11				\$45.18			\$45.18
12				\$63.00			\$63.00
13				\$25.20			\$25.20
14				\$37.60			\$37.60
15				\$47.04			\$47.04
16				\$18.65			\$18.65
17	\$134.90						\$134.90
18	\$108.00			\$45.00			\$153.00
19	\$7,036.52		\$571.75	\$173.85			\$7,782.12
20				\$68.00			\$68.00
21		\$193.70		\$324.02			\$517.72
Sub-totals:	\$9,291.27	\$5,649.70	\$1,191.31	\$1,358.89	\$0.00	\$0.00	\$17,491.17

Exhibit IV
Page 2 of 2

Subject: Crawford & Company

Type: TPA

[illegible]

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: VNO-08-98-R-5

Subject: Crawford & Company

Location: Woodland Hills

Type: TPA

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	49	27	55.10%
2	LATE FIRST PAY OF PD	18	12	66.67%
3	LATE FIRST PAY OF VRMA	6	0	0.00%
4	LATE SUBSEQ INDEM. PAY	38	21	55.26%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	64	35	54.69%
7	LATE BEN. NOTICES (INDEM.,DELAY)	64	14	21.88%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	49	16	32.65%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	24	10	41.67%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	11	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	19	13	68.42%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	10	10	100.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	1	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	44	12	27.27%
16	FAIL TO ISSUE DENIAL NOTICE AS REQ.	11	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	61	28	45.90%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	427	5	1.17%
20	OTHER ASSESSMENTS	130	31	23.85%
21	UNSUPPORTED DENIALS	11	0	0.00%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	187
Indemnity	94
Medical Only	62
Denied	22
Complaints	2
Additional Files	7

Audit No: SFO-05-98-R-1 **Type: INS**

Subject: Crum & Forster Insurance

Location: San Francisco

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	30	\$2,485	\$2,485	\$0		x
2	4	\$1,295	\$1,295	\$0		x
3	0	\$0	\$0	\$0		x
4	28	\$2,455	\$2,455	\$0		x
5	0	\$0	\$0	\$0		x
6	26	\$2,600	\$2,600	\$0		x
7	43	\$3,275	\$3,275	\$0		x
8	18	\$840	\$840	\$0		x
9	2	\$160	\$160	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	14	\$5,740	\$5,740	\$0		x
13	6	\$1,400	\$1,400	\$0		x
14	0	\$0	\$0	\$0		x
15	8	\$2,800	\$2,800	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	4	\$1,450	\$1,450	\$0		x
18 b	1	\$200	\$200	\$0		x
18 c	1	\$300	\$300	\$0		x
18 d	3	\$225	\$225	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	7	\$560	\$560	\$0		x
20 a	59	\$4,220	\$4,220	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	20	\$2,080	\$2,080	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	274	\$32,085	\$32,085	\$0		x

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: SFO-05-98-R-1

Subject: Crum & Forster Insurance

Location: San Francisco

Type: INS

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	66	29	43.94%
2	LATE FIRST PAY OF PD	16	4	25.00%
3	LATE FIRST PAY OF VRMA	8	0	0.00%
4	LATE SUBSEQ INDEM. PAY	46	14	30.43%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	76	19	25.00%
7	LATE BEN. NOTICES (INDEM.,DELAY)	76	26	34.21%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	82	8	9.76%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	22	2	9.09%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	9	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	19	14	73.68%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	13	6	46.15%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	0	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	29	7	24.14%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	22	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	75	8	10.67%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	1,136	0	0.00%
20	OTHER ASSESSMENTS	178	48	26.97%
21	UNSUPPORTED DENIALS	22	0	0.00%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	34
Indemnity	15
Medical Only	16
Denied	2
Complaints	0
Additional Files	1

Audit No: VNO-10-98-NR-5 Type: TPA

Subject: Fleming & Associates

Location: Glendale

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	3	\$1,900	\$1,900	\$0		x
2	1	\$400	\$400	\$0		x
3	0	\$0	\$0	\$0		x
4	4	\$150	\$150	\$0		x
5	0	\$0	\$0	\$0		x
6	3	\$300	\$300	\$0		x
7	1	\$40	\$40	\$0		x
8	8	\$650	\$650	\$0		x
9	0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	1	\$400	\$400	\$0		x
13	0	\$0	\$0	\$0		x
14	0	\$0	\$0	\$0		x
15	0	\$0	\$0	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	6	\$1,840	\$1,840	\$0		x
18 b	0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	5	\$420	\$420	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0		x
20 a	5	\$150	\$150	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	37	\$6,250	\$6,250	\$0		x

Exhibit IV

Notices of Compensation Due

Audit No: VNO-10-98-NR-5

Subject: Fleming & Associates

Location: Glendale **Type:** TPA

[illegible]

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: VNO-10-98-NR-5

Subject: Fleming & Associates

Location: Glendale

Type: TPA

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	13	3	23.08%
2	LATE FIRST PAY OF PD	2	1	50.00%
3	LATE FIRST PAY OF VRMA	1	0	0.00%
4	LATE SUBSEQ INDEM. PAY	8	1	12.50%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	15	2	13.33%
7	LATE BEN. NOTICES (INDEM.,DELAY)	15	1	6.67%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	14	2	14.29%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	0	0	0.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	2	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	5	1	20.00%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	2	0	0.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	0	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	9	0	0.00%
16	FAIL TO ISSUE DENIAL NOTICE AS REQ.	2	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	13	7	53.85%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	44	0	0.00%
20	OTHER ASSESSMENTS	33	5	15.15%
21	UNSUPPORTED DENIALS	2	0	0.00%

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	143
Indemnity	55
Medical Only	63
Denied	25
Complaints	0
Additional Files	0

Audit No: SFO-06-98-R-5 **Type: TPA**

Subject: Fleming & Associates

Location: Salinas

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	5	\$120	\$120	\$0		x
2	0	\$0	\$0	\$0		x
3	1	\$100	\$100	\$0		x
4	24	\$1,320	\$1,320	\$0		x
5	0	\$0	\$0	\$0		x
6	8	\$640	\$640	\$0		x
7	8	\$180	\$180	\$0		x
8	7	\$420	\$420	\$0		x
9	0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0		x
13	4	\$1,280	\$1,280	\$0		x
14	0	\$0	\$0	\$0		x
15	1	\$400	\$400	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	3	\$400	\$400	\$0		x
18 b	1	\$1,000	\$1,000	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	11	\$600	\$600	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	1	\$100	\$100	\$0		x
19	0	\$0	\$0	\$0		x
20 a	72	\$2,160	\$2,160	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	1	\$240	\$240	\$0		x
20 d	6	\$380	\$380	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	153	\$9,340	\$9,340	\$0		x

Calendar Year: 1998

Exhibit IV

Notices of Compensation Due

Audit No: SFO-06-98-R-5

Subject: Fleming & Associates

Location: Salinas

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self- imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$261.09	\$9,284.00		\$19.08		\$14.07	\$280.17
2				\$35.00			\$35.00
3				\$89.60			\$89.60
4	\$41.90			\$201.32			\$243.22
5				\$897.60			\$10,181.60
6							\$14.07
Totals:	\$302.99	\$9,284.00	\$0.00	\$1,242.60	\$0.00	\$14.07	\$10,843.66

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: SFO-06-98-R-5

Subject: Fleming & Associates

Location: Salinas

Type: TPA

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	51	5	9.80%
2	LATE FIRST PAY OF PD	8	0	0.00%
3	LATE FIRST PAY OF VRMA	2	1	50.00%
4	LATE SUBSEQ INDEM. PAY	32	13	40.63%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	63	5	7.94%
7	LATE BEN. NOTICES (INDEM.,DELAY)	63	6	9.52%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	18	4	22.22%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	9	0	0.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	5	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	10	0	0.00%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	8	4	50.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	2	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	17	1	5.88%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	25	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	52	6	11.54%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	1,733	0	0.00%
20	OTHER ASSESSMENTS	143	51	35.66%
21	UNSUPPORTED DENIALS	25	0	0.00%

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	319
Indemnity	109
Medical Only	111
Denied	93
Complaints	6
Additional Files	0

Audit No: AHM-01-98-R-5 Type: TPA

Subject: GAB Robins North America, Inc.

Location: Ontario

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	48	\$6,225	\$6,225	\$0		x
2	12	\$4,400	\$4,400	\$0		x
3	2	\$200	\$200	\$0		x
4	39	\$2,575	\$2,575	\$0		x
5	0	\$0	\$0	\$0		x
6	69	\$6,900	\$6,900	\$0		x
7	48	\$2,600	\$2,600	\$0		x
8	10	\$570	\$570	\$0		x
9	2	\$120	\$120	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	9	\$3,720	\$3,720	\$0		x
13	15	\$5,500	\$5,500	\$0		x
14	2	\$800	\$800	\$0		x
15	19	\$7,700	\$7,700	\$0		x
16	0	\$0	\$0	\$0		x
17	1	\$100	\$100	\$0		x
18 a	7	\$2,600	\$2,600	\$0		x
18 b	3	\$1,350	\$1,350	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	12	\$1,025	\$1,025	\$0		x
18 e	3	\$5,300	\$5,300	\$0		x
18 f	1	\$1,000	\$1,000	\$0		x
19	18	\$1,140	\$1,140	\$0		x
20 a	49	\$1,700	\$1,700	\$0		x
20 b	2	\$750	\$750	\$0		x
20 c	4	\$2,750	\$2,750	\$0		x
20 d	14	\$950	\$950	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	389	\$59,975	\$59,975	\$0		x

Calendar Year: 1998

Exhibit IV

Notices of Compensation Due

Audit No: AHM-01-98-R-5

Subject: GAB Robins North America, Inc.

Location: Ontario

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$2,197.43			\$219.74			\$2,417.17
2				\$272.15			\$272.15
3				\$15.32			\$15.32
4				\$822.34			\$822.34
5				\$196.00			\$196.00
6	\$349.85			\$34.98			\$384.83
7		\$794.54		\$32.82			\$827.36
8		\$3,340.57		\$446.92			\$3,787.49
9				\$210.00			\$210.00
10						\$45.29	\$45.29
11	\$295.88	\$104.47		\$140.04			\$540.39
12		\$315.14		\$160.00		\$12.91	\$488.05
13	\$44.02			\$54.77			\$98.79
14				\$27.00			\$27.00
15	\$45.07			\$4.51			\$49.58
16	\$561.98			\$11.47			\$573.45
17	\$4,008.90					\$593.10	\$4,602.00
18		\$30.41				\$0.18	\$30.59
19				\$67.04			\$67.04
Totals:	\$7,503.13	\$4,585.13	\$0.00	\$2,715.10	\$0.00	\$651.48	\$15,454.84

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: AHM-01-98-R-5

Subject: GAB Robins North America, Inc.

Location: Ontario

Type: TPA

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	80	44	55.00%
2	LATE FIRST PAY OF PD	24	11	45.83%
3	LATE FIRST PAY OF VRMA	8	2	25.00%
4	LATE SUBSEQ INDEM. PAY	61	13	21.31%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	162	49	30.25%
7	LATE BEN. NOTICES (INDEM.,DELAY)	156	38	24.36%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	28	1	3.57%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	28	1	3.57%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	16	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	1	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	24	9	37.50%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	20	12	60.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	8	2	25.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	76	18	23.68%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	99	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	98	18	18.37%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	9,302	17	0.18%
20	OTHER ASSESSMENTS	313	54	17.25%
21	UNSUPPORTED DENIALS	93	0	0.00%

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	296
Indemnity	106
Medical Only	110
Denied	73
Complaints	1
Additional Files	6

Audit No: AHM-04-98-R-5 Type: TPA

Subject: Gallagher Bassett Services

Location: Anaheim

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	25	\$4,670	\$4,670	\$0		x
2	7	\$2,980	\$2,980	\$0		x
3	0	\$0	\$0	\$0		x
4	23	\$2,165	\$2,165	\$0		x
5	1	\$60	\$60	\$0		x
6	41	\$4,100	\$4,100	\$0		x
7	39	\$2,055	\$2,055	\$0		x
8	15	\$910	\$910	\$0		x
9	2	\$160	\$160	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	15	\$6,580	\$6,580	\$0		x
13	12	\$5,560	\$5,560	\$0		x
14	2	\$1,000	\$1,000	\$0		x
15	9	\$4,200	\$4,200	\$0		x
16	3	\$960	\$960	\$0		x
17	0	\$0	\$0	\$0		x
18 a	6	\$900	\$900	\$0		x
18 b	7	\$3,000	\$3,000	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	22	\$1,675	\$1,675	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	8	\$640	\$640	\$0		x
20 a	39	\$1,925	\$1,925	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	22	\$1,700	\$1,700	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	298	\$45,240	\$45,240	\$0		x

Calendar Year: 1998

Exhibit IV

Notices of Compensation Due

Audit No: AHM-04-98-R-5

Subject: Gallagher Bassett Services

Location: Anaheim

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$130.02						\$130.02
2	\$128.00			\$12.80			\$140.80
3		\$1,210.18		\$227.50			\$1,437.68
4				\$126.72			\$126.72
5	\$36.00						\$36.00
6		\$1,020.11		\$449.16			\$1,469.27
7	\$483.22			\$48.32			\$531.54
8	\$7.18	\$2,100.00		\$350.71			\$2,457.89
9				\$201.00			\$201.00
10		\$5,650.00		\$565.00			\$6,215.00
11	\$58.00			\$5.80			\$63.80
12		\$13.48		\$1.35			\$14.83
13		\$134.86		\$13.49			\$148.35
14				\$476.75			\$476.75
15		\$704.56		\$487.02			\$1,191.58
Totals:	\$842.42	\$10,833.19	\$0.00	\$2,965.62	\$0.00	\$0.00	\$14,641.23

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: AHM-04-98-R-5

Subject: Gallagher Bassett Services

Location: Anaheim

Type: TPA

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	64	23	35.94%
2	LATE FIRST PAY OF PD	23	7	30.43%
3	LATE FIRST PAY OF VRMA	6	0	0.00%
4	LATE SUBSEQ INDEM. PAY	46	10	21.74%
5	LATE PAY OF DEATH BENEFITS	1	1	100.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	132	32	24.24%
7	LATE BEN. NOTICES (INDEM.,DELAY)	132	33	25.00%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	56	3	5.36%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	38	2	5.26%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	8	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	21	15	71.43%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	17	12	70.59%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	2	2	100.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	61	9	14.75%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	70	3	4.29%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	75	15	20.00%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	4,396	8	0.18%
20	OTHER ASSESSMENTS	283	51	18.02%
21	UNSUPPORTED DENIALS	73	0	0.00%

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	133
Indemnity	42
Medical Only	57
Denied	33
Complaints	1
Additional Files	0

Audit No: AHM-07-98-R-6 Type: SI

Subject: Garden Grove USD

Location: Garden Grove

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	1	\$30	\$30	\$0		x
2	1	\$320	\$320	\$0		x
3	0	\$0	\$0	\$0		x
4	7	\$1,250	\$1,250	\$0		x
5	0	\$0	\$0	\$0		x
6	4	\$240	\$240	\$0		x
7	7	\$300	\$300	\$0		x
8	0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0		x
13	0	\$0	\$0	\$0		x
14	0	\$0	\$0	\$0		x
15	1	\$300	\$300	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	1	\$1,000	\$1,000	\$0		x
18 b	1	\$200	\$200	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	3	\$225	\$225	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	1	\$60	\$60	\$0		x
20 a	2	\$30	\$30	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	1	\$60	\$60	\$0		x
21	5	\$13,500	\$13,500	\$0		x
Totals:	35	\$17,515	\$17,515	\$0		x

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: AHM-07-98-R-6

Subject: Garden Grove USD

Location: Garden Grove

Type: SI

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	3	1	33.33%
2	LATE FIRST PAY OF PD	13	1	7.69%
3	LATE FIRST PAY OF VRMA	1	0	0.00%
4	LATE SUBSEQ INDEM. PAY	9	4	44.44%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	65	3	4.62%
7	LATE BEN. NOTICES (INDEM.,DELAY)	65	7	10.77%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	19	0	0.00%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	17	0	0.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	2	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	4	0	0.00%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	3	0	0.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	0	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	35	1	2.86%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	32	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	14	2	14.29%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	604	0	0.00%
20	OTHER ASSESSMENTS	132	3	2.27%
21	UNSUPPORTED DENIALS	33	5	15.15%

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	186
Indemnity	57
Medical Only	66
Denied	58
Complaints	4
Additional Files	1

Audit No: WCK-04-98-R-5 Type: TPA

Subject: Gates, McDonald and Company

Location: Concord

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	9	\$400	\$400	\$0		x
2	1	\$120	\$120	\$0		x
3	0	\$0	\$0	\$0		x
4	37	\$6,825	\$6,825	\$0		x
5	0	\$0	\$0	\$0		x
6	16	\$1,280	\$1,280	\$0		x
7	22	\$1,010	\$1,010	\$0		x
8	3	\$120	\$120	\$0		x
9	2	\$105	\$105	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	6	\$3,000	\$3,000	\$0		x
13	10	\$3,700	\$3,700	\$0		x
14	0	\$0	\$0	\$0		x
15	7	\$2,320	\$2,320	\$0		x
16	1	\$60	\$60	\$0		x
17	0	\$0	\$0	\$0		x
18 a	3	\$1,300	\$1,300	\$0		x
18 b	4	\$2,000	\$2,000	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	17	\$1,375	\$1,375	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	1	\$60	\$60	\$0		x
20 a	5	\$75	\$75	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	4	\$180	\$180	\$0		x
21	1	\$2,000	\$2,000	\$0		x
Totals:	149	\$25,930	\$25,930	\$0		x

Notices of Compensation Due

Audit No: WCK-04-98-R-5

Subject: Gates, McDonald and Company

Location: Concord

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$26.32	\$3,920.00		\$252.00			\$252.00
2				\$26.32			\$26.32
3				\$392.00			\$4,312.00
4				\$452.18			\$452.18
5	\$2,486.14	\$598.58		\$433.25			\$3,517.97
6	\$76.62	\$76.62					
7	\$53.75	\$53.75					
8	\$1,648.80	\$254.38		\$1,903.18			
9	\$27.00	\$27.00					
10	\$1,977.70	\$495.65		\$2,473.35			
11	\$307.32	\$151.18		\$458.50			
Totals:	\$2,819.78	\$8,145.08	\$0.00	\$2,588.01	\$0.00	\$0.00	\$13,552.87

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: WCK-04-98-R-5

Subject: Gates, McDonald and Company

Location: Concord

Type: TPA

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	36	8	22.22%
2	LATE FIRST PAY OF PD	9	0	0.00%
3	LATE FIRST PAY OF VRMA	7	0	0.00%
4	LATE SUBSEQ INDEM. PAY	28	11	39.29%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	67	12	17.91%
7	LATE BEN. NOTICES (INDEM.,DELAY)	67	19	28.36%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	39	2	5.13%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	26	2	7.69%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	8	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	11	5	45.45%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	11	8	72.73%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	0	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	16	5	31.25%
16	FAIL TO ISSUE DENIAL NOTICE AS REQ.	59	1	1.69%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	51	9	17.65%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	6,920	1	0.01%
20	OTHER ASSESSMENTS	181	4	2.21%
21	UNSUPPORTED DENIALS	58	1	1.72%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	254
Indemnity	130
Medical Only	66
Denied	53
Complaints	2
Additional Files	3

Audit No: WCK-03-98-R-1

Type: INS

Subject: Kemper National Insurance

Location: Concord

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	28	\$1,395	\$1,395	\$0		x
2	3	\$260	\$260	\$0		x
3	0	\$0	\$0	\$0		x
4	27	\$2,110	\$2,110	\$0		x
5	0	\$0	\$0	\$0		x
6	30	\$3,000	\$3,000	\$0		x
7	23	\$1,175	\$1,175	\$0		x
8	8	\$440	\$440	\$0		x
9	1	\$80	\$80	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	2	\$600	\$600	\$0		x
13	3	\$740	\$740	\$0		x
14	0	\$0	\$0	\$0		x
15	3	\$1,120	\$1,120	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	23	\$5,710	\$5,710	\$0		x
18 b	3	\$1,960	\$1,960	\$0		x
18 c	1	\$1,000	\$1,000	\$0		x
18 d	15	\$2,070	\$2,070	\$0		x
18 e	1	\$240	\$240	\$0		x
18 f	0	\$0	\$0	\$0		x
19	5	\$300	\$300	\$0		x
20 a	11	\$350	\$350	\$0		x
20 b	2	\$1,000	\$1,000	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	9	\$800	\$800	\$0		x
21	1	\$750	\$750	\$0		x
Totals:	199	\$25,100	\$25,100	\$0		x

Calendar Year 1998
Notices of Compensation Due

Exhibit IV
Page 1 of 2

Audit No: WCK-03-98-R-1

Subject: Kemper National Insurance

Location: Concord

Type: INS

Number	Temporary Disability	Permanant Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty interest, or other	Total
1	\$34.47						\$34.47
2	\$550.80	\$3,338.93	\$1,530.00	\$368.40			\$5,788.13
3	\$1,277.63			\$148.33			\$1,425.96
4		\$1,484.66					\$1,484.66
5				\$280.00			\$280.00
6	\$116.71						\$116.71
7	\$127.25						\$127.25
8	\$604.36			\$10.07			\$614.43
9	\$126.86			\$12.69			\$139.55
10	\$224.58			\$2.81			\$227.39
11	\$210.00			\$7.00			\$217.00
12	\$16.60						\$16.60
13	\$3,372.53			\$304.97			\$3,677.50
14	\$232.54	\$1,344.00					\$1,576.54
15	\$65.72						\$65.72
16	\$86.92						\$86.92
17	\$261.83	\$486.00		\$30.54			\$778.37
18	\$55.78						\$55.78
19				\$490.00			\$490.00
20				\$151.20			\$151.20
21				\$135.90			\$135.90
Sub-totals	\$7,364.58	\$6,653.59	\$1,530.00	\$1,941.91	\$0.00	\$0.00	\$17,490.08

Calendar Year 1998
Notices of Compensation Due

Exhibit IV
page 2 of 2

Audit No: WCK-03-98-R-1

Subject: Kemper National Insurance

Location: Concord

Type: INS

Number	Temporary Disability	Permanant Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty interest, or other	Total
22		\$7,123.43		\$712.34			\$7,835.77
23				\$182.00			\$182.00
24	\$420.00						\$420.00
25	\$210.00						\$210.00
Totals:	\$7,994.58	\$13,777.02	\$1,530.00	\$2,836.25	\$0.00	\$0.00	\$26,137.85

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: WCK-03-98-R-1

Subject: Kemper National Insurance Companies

Location: Concord

Type: INS

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	114	28	24.56%
2	LATE FIRST PAY OF PD	21	3	14.28%
3	LATE FIRST PAY OF VRMA	5	0	0.00%
4	LATE SUBSEQ INDEM. PAY	60	15	25.00%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	140	19	13.57%
7	LATE BEN. NOTICES (INDEM.,DELAY)	140	20	14.28%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	101	8	7.92%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	29	1	3.44%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	6	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	15	2	13.33%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	9	3	33.33%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	5	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	35	3	8.57%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	53	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	121	25	20.66%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	6,641	1	0.16%
20	OTHER ASSESSMENTS	249	20	8.03%
21	UNSUPPORTED DENIALS	53	1	1.89%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	292
Indemnity	106
Medical Only	110
Denied	73
Complaints	2
Additional Files	1

Audit No: SAC-01-98-R-1 **Type: INS**

Subject: Kemper National Insurance Co.

Location: Sacramento

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	13	\$1,200	\$1,200	\$0		x
2	7	\$670	\$670	\$0		x
3	0	\$0	\$0	\$0		x
4	26	\$3,805	\$3,805	\$0		x
5	0	\$0	\$0	\$0		x
6	38	\$3,800	\$3,800	\$0		x
7	16	\$910	\$910	\$0		x
8	10	\$460	\$460	\$0		x
9	7	\$700	\$700	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	4	\$800	\$800	\$0		x
13	4	\$1,200	\$1,200	\$0		x
14	1	\$300	\$300	\$0		x
15	7	\$1,700	\$1,700	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	8	\$2,050	\$2,050	\$0		x
18 b	3	\$800	\$800	\$0		x
18 c	2	\$800	\$800	\$0		x
18 d	10	\$725	\$725	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	5	\$400	\$400	\$0		x
20 a	37	\$1,455	\$1,455	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	3	\$1,100	\$1,100	\$0		x
20 d	39	\$1,915	\$1,915	\$0		x
21	1	\$2,000	\$2,000	\$0		x
Totals:	241	\$26,790	\$26,790	\$0		x

Calendar Year: 1998

Exhibit IV

Notices of Compensation Due

Audit No: SAC-01-98-R-1

Subject: Kemper National Insurance Company

Location: Sacramento

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1		\$1,890.00		\$189.00			\$2,079.00
2				\$504.00			\$504.00
3	\$129.97			\$13.30			\$143.27
4	\$150.74			\$42.35			\$193.09
5				\$57.60			\$57.60
6	\$409.67		\$252.14	\$40.97			\$702.78
7				\$322.00			\$322.00
8				\$187.95			\$187.95
9	\$32.91						\$32.91
10				\$115.50			\$115.50
11		\$262.29		\$26.23			\$288.52
12	\$668.41		\$533.78				\$1,202.19
13				\$23.09			\$23.09
14		\$628.72					\$628.72
15				\$22.57			\$22.57
16	\$362.48						\$362.48
Totals:	\$1,754.18	\$2,781.01	\$785.92	\$1,544.56	\$0.00	\$0.00	\$6,865.67

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: SAC-01-98-R-1

Subject: Kemper National Insurance Company

Location: Sacramento

Type: INS

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	89	13	14.61%
2	LATE FIRST PAY OF PD	24	6	25.00%
3	LATE FIRST PAY OF VRMA	12	0	0.00%
4	LATE SUBSEQ INDEM. PAY	68	20	29.41%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	124	29	23.39%
7	LATE BEN. NOTICES (INDEM.,DELAY)	123	16	13.01%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	65	6	9.23%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	45	6	13.33%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	10	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	21	4	19.05%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	18	4	22.22%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	4	1	25.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	71	7	9.86%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	72	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	103	13	12.62%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	3,856	4	0.10%
20	OTHER ASSESSMENTS	287	50	17.42%
21	UNSUPPORTED DENIALS	73	1	1.37%

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	181
Indemnity	56
Medical Only	66
Denied	56
Complaints	3
Additional Files	0

Audit No: SFO-07-98-R-5 **Type: TPA**

Subject: Matrix Self-Insurance Resources

Location: San Jose

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	4	\$285	\$285	\$0		x
2	2	\$100	\$100	\$0		x
3	1	\$100	\$100	\$0		x
4	4	\$485	\$485	\$0		x
5	0	\$0	\$0	\$0		x
6	7	\$560	\$560	\$0		x
7	17	\$965	\$965	\$0		x
8	2	\$120	\$120	\$0		x
9	0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	2	\$600	\$600	\$0		x
13	2	\$600	\$600	\$0		x
14	1	\$400	\$400	\$0		x
15	2	\$400	\$400	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	2	\$500	\$500	\$0		x
18 b	0	\$0	\$0	\$0		x
18 c	3	\$1,400	\$1,400	\$0		x
18 d	4	\$375	\$375	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	1	\$80	\$80	\$0		x
20 a	11	\$220	\$220	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	65	\$7,190	\$7,190	\$0		x

Calendar Year: 1998

Exhibit IV

Notices of Compensation Due

Audit No: SFO-07-98-R-5

Subject: Matrix Self-Insurance Resources

Location: San Jose

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$875.66		\$2,603.50	\$458.80			\$458.80
2							\$2,603.50
3				\$119.96			\$995.62
4				\$32.58			\$32.58
5				\$992.92			\$992.92
6				\$76.00			\$76.00
Totals:	\$875.66	\$0.00	\$3,596.42	\$687.34	\$0.00	\$0.00	\$5,159.42

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: SFO-07-98-R-5

Subject: Matrix Self-Insurance Resources

Location: San Jose

Type: TPA

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	27	4	14.81%
2	LATE FIRST PAY OF PD	15	1	6.67%
3	LATE FIRST PAY OF VRMA	4	1	25.00%
4	LATE SUBSEQ INDEM. PAY	24	4	16.67%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	81	5	6.17%
7	LATE BEN. NOTICES (INDEM.,DELAY)	81	16	19.75%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	44	0	0.00%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	27	0	0.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	8	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	10	2	20.00%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	8	1	12.50%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	4	1	25.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	35	2	5.71%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	55	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	42	6	14.29%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	1,771	1	0.06%
20	OTHER ASSESSMENTS	181	9	4.97%
21	UNSUPPORTED DENIALS	56	0	0.00%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	2
Indemnity	0
Medical Only	2
Denied	0
Complaints	0
Additional Files	0

Audit No: AHM-09-98-R-2 Type: SI

Subject: Matson Navigation Company

Location: Terminal Island

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	0	\$0	\$0	\$0		x
2	0	\$0	\$0	\$0		x
3	0	\$0	\$0	\$0		x
4	0	\$0	\$0	\$0		x
5	0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0		x
13	0	\$0	\$0	\$0		x
14	0	\$0	\$0	\$0		x
15	0	\$0	\$0	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	0	\$0	\$0	\$0		x
18 b	0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	0	\$0	\$0	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	0	\$0	\$0	\$0		x

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: AHM-09-98-R-2

Subject: Matson Navigation Company

Location: Terminal Island

Type: SI

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	0	0	0.00%
2	LATE FIRST PAY OF PD	0	0	0.00%
3	LATE FIRST PAY OF VRMA	0	0	0.00%
4	LATE SUBSEQ INDEM. PAY	0	0	0.00%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	0	0	0.00%
7	LATE BEN. NOTICES (INDEM.,DELAY)	0	0	0.00%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	0	0	0.00%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	0	0	0.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	0	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	0	0	0.00%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	0	0	0.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	0	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	0	0	0.00%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	1	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	0	0	0.00%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	2	0	0.00%
20	OTHER ASSESSMENTS	2	0	0.00%
21	UNSUPPORTED DENIALS	0	0	0.00%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	207
Indemnity	96
Medical Only	63
Denied	46
Complaints	2
Additional Files	0

Audit No: AHM-02-98-R-2 **Type:** SI
Subject: May Department Stores Company
Location: Redondo Beach

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	7	\$165	\$165	\$0		x
2	7	\$1,660	\$1,660	\$0		x
3	1	\$50	\$50	\$0		x
4	40	\$3,650	\$3,650	\$0		x
5	0	\$0	\$0	\$0		x
6	63	\$6,300	\$6,300	\$0		x
7	34	\$2,215	\$2,155	\$60	x	
8	11	\$365	\$365	\$0		x
9	0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	7	\$2,840	\$2,840	\$0		x
13	8	\$3,200	\$3,200	\$0		x
14	1	\$400	\$400	\$0		x
15	11	\$3,600	\$3,600	\$0		x
16	1	\$120	\$120	\$0		x
17	0	\$0	\$0	\$0		x
18 a	8	\$3,460	\$3,460	\$0		x
18 b	3	\$720	\$720	\$0		x
18 c	1	\$1,000	\$1,000	\$0		x
18 d	11	\$1,060	\$1,060	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	7	\$420	\$420	\$0		x
20 a	23	\$1,310	\$1,310	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	4	\$2,450	\$2,450	\$0		x
20 d	8	\$450	\$450	\$0		x
21	2	\$4,500	\$0	\$4,500	x	
Totals:	258	\$39,935	\$35,375	\$4,560		x

Two penalties for unsupported denials and one penalty for late issuance of a delay notice were appealed. The appeal has not yet been resolved.

Calendar Year: **1998**
Notices of Compensation Due

Exhibit IV

Audit No: **AHM-02-98-R-2**

Subject: **May Department Stores Company**

Location: **Redondo Beach** **Type:** **SI**

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$396.49		\$752.85	\$30.62			\$1,179.96
2	\$41.33						\$41.33
3				\$240.00			\$240.00
4	\$247.71			\$64.27			\$311.98
5				\$192.00			\$192.00
6				\$57.00			\$57.00
7		\$314.49		\$48.13			\$362.62
8	\$36.00	\$126.59		\$12.66			\$175.25
9	\$2,302.25			\$210.87			\$2,513.12
10	\$307.60						\$307.60
11				\$189.50			\$189.50
12				\$60.00			\$60.00
13				\$17.55			\$17.55
14	\$473.63	\$674.29					\$1,147.92
Totals:	\$3,805.01	\$1,115.37	\$752.85	\$1,122.60	\$0.00	\$0.00	\$6,795.83

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: AHM-02-98-R-2

Subject: May Department Stores Company

Location: Redondo Beach

Type: SI

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	60	5	8.33%
2	LATE FIRST PAY OF PD	30	6	20.00%
3	LATE FIRST PAY OF VRMA	4	1	25.00%
4	LATE SUBSEQ INDEM. PAY	55	5	9.09%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	119	43	36.13%
7	LATE BEN. NOTICES (INDEM.,DELAY)	116	27	23.28%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	28	1	3.57%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	31	0	0.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	5	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	10	6	60.00%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	11	7	63.64%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	5	1	20.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	77	11	14.29%
16	FAIL TO ISSUE DENIAL NOTICE AS REQ.	52	1	1.92%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	78	14	17.95%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	1,416	7	0.49%
20	OTHER ASSESSMENTS	205	34	16.59%
21	UNSUPPORTED DENIALS	46	2	4.35%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	165
Indemnity	87
Medical Only	57
Denied	20
Complaints	0
Additional Files	1

Audit No: VNO-07-98-R-5 Type: TPA

Subject: Preferred Works, Inc.

Location: Pasadena

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	17	\$625	\$625	\$0		x
2	3	\$360	\$360	\$0		x
3	0	\$0	\$0	\$0		x
4	26	\$1,605	\$1,605	\$0		x
5	0	\$0	\$0	\$0		x
6	40	\$4,000	\$4,000	\$0		x
7	25	\$1,665	\$1,665	\$0		x
8	80	\$3,575	\$3,575	\$0		x
9	1	\$80	\$80	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	5	\$2,220	\$2,220	\$0		x
13	5	\$1,360	\$1,360	\$0		x
14	4	\$1,740	\$1,740	\$0		x
15	12	\$3,800	\$3,800	\$0		x
16	1	\$80	\$80	\$0		x
17	2	\$200	\$200	\$0		x
18 a	6	\$700	\$700	\$0		x
18 b	4	\$1,550	\$1,550	\$0		x
18 c	2	\$1,300	\$1,300	\$0		x
18 d	7	\$625	\$625	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	8	\$220	\$220	\$0		x
20 a	18	\$450	\$450	\$0		x
20 b	1	\$500	\$500	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	4	\$250	\$250	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	271	\$26,905	\$26,905	\$0		x

Exhibit IV

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self- imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$56.07			\$5.61			\$61.68
2	\$33.52			\$3.35			\$36.87
3		\$1,608.00		\$160.80			\$1,768.80
4		\$620.04		\$62.00			\$682.04
5		\$248.29		\$508.12			\$756.41
6	\$62.37						\$62.37
7	\$169.67		\$1,152.00	\$38.75			\$1,360.42
8				\$163.51			\$163.51
9	\$64.58			\$38.75			\$103.33
10	\$29.02	\$148.00		\$107.70			\$284.72
11			\$492.00				\$492.00
Totals:	\$415.23	\$2,624.33	\$1,644.00	\$1,088.59	\$0.00	\$0.00	\$5,772.15

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: VNO-07-98-R-5

Subject: Preferred Works, Inc.

Location: Pasadena

Type: TPA

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	53	13	24.53%
2	LATE FIRST PAY OF PD	16	3	18.75%
3	LATE FIRST PAY OF VRMA	4	0	0.00%
4	LATE SUBSEQ INDEM. PAY	39	8	20.51%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	77	29	37.66%
7	LATE BEN. NOTICES (INDEM.,DELAY)	75	18	24.00%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	32	5	15.63%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	18	0	0.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	5	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	12	4	33.33%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	5	3	60.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	4	3	75.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	48	11	22.92%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	17	1	5.88%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	2	N.A.
18	UNPAID INDEMNITY	63	10	15.87%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	662	8	1.21%
20	OTHER ASSESSMENTS	164	21	12.80%
21	UNSUPPORTED DENIALS	20	0	0.00%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	365
Indemnity	110
Medical Only	110
Denied	98
Complaints	31
Additional Files	16

Audit No: AHM-03-98-NR-2 Type: SI

Subject: Ralph's Grocery Company

Location: Los Angeles

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	40	\$4,550	\$4,550	\$0		x
2	29	\$7,670	\$7,670	\$0		x
3	9	\$2,270	\$2,270	\$0		x
4	97	\$8,705	\$8,705	\$0		x
5	0	\$0	\$0	\$0		x
6	85	\$8,500	\$8,500	\$0		x
7	146	\$8,430	\$8,430	\$0		x
8	272	\$19,010	\$19,010	\$0		x
9	19	\$1,700	\$1,700	\$0		x
10	13	\$975	\$975	\$0		x
11	4	\$1,620	\$1,620	\$0		x
12	23	\$9,380	\$9,380	\$0		x
13	28	\$9,760	\$9,760	\$0		x
14	14	\$5,760	\$5,760	\$0		x
15	36	\$13,060	\$13,060	\$0		x
16	4	\$560	\$560	\$0		x
17	0	\$0	\$0	\$0		x
18 a	39	\$14,560	\$14,560	\$0		x
18 b	21	\$10,970	\$10,970	\$0		x
18 c	5	\$1,160	\$1,160	\$0		x
18 d	61	\$4,930	\$4,930	\$0		x
18 e	3	\$5,700	\$5,700	\$0		x
18 f	3	\$720	\$720	\$0		x
19	11	\$880	\$880	\$0		x
20 a	140	\$5,610	\$5,610	\$0		x
20 b	4	\$3,600	\$3,600	\$0		x
20 c	14	\$34,100	\$34,100	\$0		x
20 d	51	\$10,600	\$10,600	\$0		x
21	8	\$22,750	\$22,750	\$0		x
Totals:	1179	\$217,530	\$217,530	\$0		x

Calendar Year: **1998**
Notices of Compensation Due

Exhibit IV
page 1 of 4

Audit No: **AHM-03-98-NR-2**

Subject: **Ralph's Grocery Company**

Location: **Los Angeles**

Type: **SI**

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$157.50			\$157.50
2						\$83.57	\$83.57
3	\$441.71			\$103.00		\$588.26	\$1,132.97
4	\$117.69	\$5,236.00		\$565.14			\$5,918.83
5	\$394.00	\$11,404.00		\$1,274.80			\$13,072.80
6				\$2.00			\$2.00
7		\$784.08		\$78.41			\$862.49
8		\$2,061.91		\$105.07			\$2,166.98
9		\$1,081.50		\$108.15			\$1,189.65
10	\$6,767.01			\$57.08			\$6,824.09
11	\$48.44						\$48.44
12		\$36.00	\$414.30	\$47.54			\$497.84
13				\$11.84			\$11.84
14	\$64.00						\$64.00
15	\$71.20			\$5.74			\$76.94
16						\$9.90	\$9.90
17				\$89.60			\$89.60
18	\$109.54			\$10.53			\$120.07
19		\$76.00		\$213.50			\$289.50
20	\$159.18	\$1,006.00		\$121.95			\$1,287.13
21	\$42.57						\$42.57
Sub-totals:	\$8,215.34	\$21,685.49	\$414.30	\$2,951.85	\$0.00	\$681.73	\$33,948.71

Calendar Year: 1998
Notices of Compensation Due

Exhibit IV
page 2 of 4

Audit No: AHM-03-98-NR-2

Subject: Ralph's Grocery Company

Location: Los Angeles

Type: SI

Number	Temporary Disability	Permanant Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty interest, or other	Total
22	\$12.02			\$84.20			\$96.22
23	\$762.10	\$219.43		\$126.15			\$1,107.68
24	\$607.94						\$607.94
25	\$5,193.29			\$637.33			\$5,830.62
26	\$10.62						\$10.62
27		\$4,108.28		\$493.67			\$4,601.95
28	\$64.00	\$361.50		\$36.15			\$461.65
29	\$3,066.01						\$3,066.01
30	\$21.90					\$5.00	\$26.90
31	\$46.20						\$46.20
32	\$51.80			\$47.32			\$99.12
33				\$384.00			\$384.00
34	\$164.67					\$10.00	\$174.67
35	\$174.00						\$174.00
36	\$62.11						\$62.11
37		\$3,511.72		\$455.57			\$3,967.29
38		\$420.00		\$42.00			\$462.00
39	\$576.00			\$85.60			\$661.60
40		\$1,155.00		\$115.50			\$1,270.50
41				\$675.50			\$675.50
42	\$64.00						\$64.00
Sub-totals:	\$10,876.66	\$9,775.93	\$0.00	\$3,182.99	\$0.00	\$15.00	\$23,850.58

Calendar Year 1998
Notices of Compensation Due

Exhibit IV
page 3 of 4

Audit No: AHM-03-98-NR-2

Subject: Ralph's Grocery Company

Location: Los Angeles

Type: SI

Number	Temporary Disability	Permanant Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty interest, or other	Total
43				\$12.90			\$12.90
44	\$2,639.70						\$2,639.70
45	\$540.74			\$82.85			\$623.59
46		\$42.00		\$22.92			\$64.92
47	\$601.98			\$60.20			\$662.18
48				\$78.85			\$78.85
49	\$230.00						\$230.00
50				\$644.93		\$10.06	\$654.99
51				\$67.20			\$67.20
52				\$4.80			\$4.80
53				\$12.00			\$12.00
54		\$4,624.25		\$462.43			\$5,086.68
55	\$1,435.40			\$597.81			\$2,033.21
56	\$54.91	\$258.11		\$31.30			\$344.32
57	\$109.34			\$10.93			\$120.27
58	\$52.24						\$52.24
59	\$1,299.09	\$943.71	\$84.80	\$291.94			\$2,619.54
60	\$104.26			\$48.68			\$152.94
61						\$64.72	\$64.72
62				\$83.49			\$83.49
63				\$304.00			\$304.00
Sub-totals:	\$7,067.66	\$5,868.07	\$84.80	\$2,817.23	\$0.00	\$74.78	\$15,912.54

Calendar Year: 1998
Notices of Compensation Due

Exhibit IV
page 4 of 4

Audit No: AHM-03-98-NR-2

Subject: Ralph's Grocery Company

Location: Los Angeles

Type: SI

Number	Temporary Disability	Permanant Disability	VRMA	Self- imposed Increase	Death Benefits	Penalty interest, or other	Total
64		\$3,860.00		\$386.00			\$4,246.00
65	\$6,953.97						\$6,953.97
66				\$532.00			\$532.00
67			\$59.74	\$329.56		\$57.38	\$446.68
68				\$65.50			\$65.50
69		\$6,182.00		\$618.20			\$6,800.20
70	\$48.68						\$48.68
71	\$3,127.02	\$760.00		\$388.70			\$4,275.72
72	\$141.72			\$80.86			\$222.58
73				\$28.00			\$28.00
74			\$249.95				\$249.95
75		\$5,662.91	\$1,576.78	\$1,011.89			\$8,251.58
76				\$184.00			\$184.00
Totals:	\$36,431.05	\$53,794.40	\$2,385.57	\$12,576.78	\$0.00	\$828.89	\$106,016.79

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: AHM-03-98-NR-2

Subject: Ralph's Grocery Company

Location: Los Angeles

Type: SI

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	106	29	27.36%
2	LATE FIRST PAY OF PD	37	13	35.14%
3	LATE FIRST PAY OF VRMA	22	8	36.36%
4	LATE SUBSEQ INDEM. PAY	85	14	16.47%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	192	43	22.40%
7	LATE BEN. NOTICES (INDEM.,DELAY)	192	67	34.90%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	92	44	47.83%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	73	14	19.18%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	35	6	17.14%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	2	2	100.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	45	18	40.00%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	31	18	58.06%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	12	7	58.33%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	82	32	39.02%
16	FAIL TO ISSUE DENIAL NOTICE AS REQ.	108	4	3.70%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	123	61	49.59%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	6,355	6	0.09%
20	OTHER ASSESSMENTS	318	97	30.50%
21	UNSUPPORTED DENIALS	98	8	8.16%

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	246
Indemnity	96
Medical Only	98
Denied	50
Complaints	0
Additional Files	2

Audit No: SFO-04-98-R-6 Type: SI

Subject: Redwood Empire Municipal Insurance Fund, a JPA

Location: Sonoma

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	2	\$50	\$50	\$0		x
2	0	\$0	\$0	\$0		x
3	0	\$0	\$0	\$0		x
4	3	\$180	\$180	\$0		x
5	0	\$0	\$0	\$0		x
6	20	\$1,980	\$1,980	\$0		x
7	14	\$690	\$690	\$0		x
8	3	\$120	\$120	\$0		x
9	0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0		x
13	1	\$420	\$420	\$0		x
14	0	\$0	\$0	\$0		x
15	10	\$3,600	\$3,600	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	1	\$120	\$120	\$0		x
18 b	1	\$120	\$120	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	1	\$60	\$60	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	2	\$120	\$120	\$0		x
20 a	39	\$975	\$975	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	2	\$125	\$125	\$0		x
21	1	\$2,000	\$2,000	\$0		x
Totals:	100	\$10,560	\$10,560	\$0		x

Exhibit IV

Audit No: SFO-04-98-R-6

Subject: Redwood Empire Municipal Insurance Fund, a JPA

Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self- imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$391.12			\$39.11			\$430.23
2		\$217.56		\$21.76		\$10.00	\$249.32
3				\$11.69			\$11.69
Totals:	\$391.12	\$217.56	\$0.00	\$72.56	\$0.00	\$10.00	\$691.24

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: SFO-04-98-R-6

Subject: Redwood Empire Municipal Insurance Fund, a JPA

Location: Sonoma

Type: SI

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	13	2	15.38%
2	LATE FIRST PAY OF PD	9	1	11.11%
3	LATE FIRST PAY OF VRMA	3	1	33.33%
4	LATE SUBSEQ INDEM. PAY	10	1	10.00%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	87	13	14.94%
7	LATE BEN. NOTICES (INDEM.,DELAY)	86	14	16.28%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	69	1	1.45%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	34	0	0.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	2	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	4	0	0.00%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	2	1	50.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	0	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	55	10	18.18%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	50	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	70	3	4.29%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	1,336	0	0.00%
20	OTHER ASSESSMENTS	244	36	14.75%
21	UNSUPPORTED DENIALS	50	1	2.00%

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	141
Indemnity	44
Medical Only	73
Denied	16
Complaints	0
Additional Files	8

Audit No: VNO-01-98-R-2

Type: SI

Subject: Rockwell International Corporation

Location: Newbury Park

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	2	\$125	\$125	\$0		x
2	4	\$935	\$935	\$0		x
3	0	\$0	\$0	\$0		x
4	9	\$550	\$550	\$0		x
5	0	\$0	\$0	\$0		x
6	5	\$460	\$460	\$0		x
7	6	\$355	\$355	\$0		x
8	93	\$3,075	\$3,075	\$0		x
9	9	\$900	\$900	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	4	\$2,000	\$2,000	\$0		x
13	3	\$1,120	\$1,120	\$0		x
14	0	\$0	\$0	\$0		x
15	2	\$700	\$700	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	3	\$300	\$300	\$0		x
18 b	0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	4	\$300	\$300	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	1	\$80	\$80	\$0		x
20 a	4	\$80	\$80	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	1	\$80	\$80	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	150	\$11,060	\$11,060	\$0		x

Exhibit IV

Audit No: VNO-01-98

Location: Newbury Park

[illegible]

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: VNO-01-98

Subject: Rockwell International Corporation

Location: Newbury Park

Type: SI

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	9	2	22.20%
2	LATE FIRST PAY OF PD	14	3	21.40%
3	LATE FIRST PAY OF VRMA	2	0	0.00%
4	LATE SUBSEQ INDEM. PAY	15	2	13.30%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	34	4	11.80%
7	LATE BEN. NOTICES (INDEM.,DELAY)	34	5	14.70%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	29	3	10.30%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	15	2	13.30%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	4	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	4	3	75.00%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	3	3	100.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	3	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	23	2	8.70%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	16	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	17	3	17.60%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	133	1	0.80%
20	OTHER ASSESSMENTS	133	3	2.30%
21	UNSUPPORTED DENIALS	16	0	0.00%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	182
Indemnity	58
Medical Only	66
Denied	55
Complaints	0
Additional Files	3

Audit No: AHM-06-98-R-5

Type: TPA

Subject: Sedgwick Claims / Hazelrigg Risk Management Services

Location: Orange / San Diego

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	1	\$90	\$90	\$0		x
2	1	\$320	\$320	\$0		x
3	0	\$0	\$0	\$0		x
4	5	\$175	\$175	\$0		x
5	0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0		x
7	11	\$465	\$465	\$0		x
8	1	\$60	\$60	\$0		x
9	0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	4	\$1,120	\$1,120	\$0		x
13	2	\$600	\$600	\$0		x
14	0	\$0	\$0	\$0		x
15	0	\$0	\$0	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	0	\$0	\$0	\$0		x
18 b	0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	7	\$525	\$525	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	7	\$560	\$560	\$0		x
20 a	7	\$645	\$645	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	3	\$160	\$160	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	49	\$4,720	\$4,720	\$0		x

Exhibit IV

Audit No: AHM-06-98-R-5

Location: Orange / San Diego **Type:** TPA

[illegible]

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: AHM-06-98-R-5

Subject: Sedgwick Claims / Hazelrigg Risk Management Services

Location: Orange / San Diego

Type: TPA

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	2	1	50.00%
2	LATE FIRST PAY OF PD	10	1	10.00%
3	LATE FIRST PAY OF VRMA	2	0	0.00%
4	LATE SUBSEQ INDEM. PAY	11	2	18.18%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	54	0	0.00%
7	LATE BEN. NOTICES (INDEM.,DELAY)	54	11	20.37%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	48	1	2.08%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	32	0	0.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	3	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	7	4	57.14%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	4	2	50.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	2	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	15	0	0.00%
16	FAIL TO ISSUE DENIAL NOTICE AS REQ.	54	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	37	3	8.11%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	6,008	0	0.00%
20	OTHER ASSESSMENTS	179	10	5.59%
21	UNSUPPORTED DENIALS	55	0	0.00%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	33
Indemnity	14
Medical Only	14
Denied	5
Complaints	0
Additional Files	0

Audit No: VNO-09-98-R-5 Type: TPA

Subject: SERVCO/CNA Insurance

Location: Glendale

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	1	\$25	\$25	\$0		x
2	0	\$0	\$0	\$0		x
3	1	\$30	\$30	\$0		x
4	2	\$120	\$120	\$0		x
5	0	\$0	\$0	\$0		x
6	3	\$300	\$300	\$0		x
7	1	\$50	\$50	\$0		x
8	0	\$0	\$0	\$0		x
9	1	\$100	\$100	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	1	\$400	\$400	\$0		x
13	0	\$0	\$0	\$0		x
14	0	\$0	\$0	\$0		x
15	0	\$0	\$0	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	0	\$0	\$0	\$0		x
18 b	0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	0	\$0	\$0	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	2	\$100	\$100	\$0		x
20 a	2	\$50	\$50	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	1	\$500	\$500	\$0		x
20 d	0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	15	\$1,675	\$1,675	\$0		x

Exhibit IV

Audit No: VNO-09-98-R-5

Subject: SERVCO/CNA Insurance

Location: Glendale

Type: TPA

[illegible]

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: VNO-09-98-R-5

Subject: SERVCO/CNA Insurance

Location: Glendale

Type: TPA

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	5	1	20.00%
2	LATE FIRST PAY OF PD	4	0	0.00%
3	LATE FIRST PAY OF VRMA	3	1	33.33%
4	LATE SUBSEQ INDEM. PAY	5	2	40.00%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	9	1	11.11%
7	LATE BEN. NOTICES (INDEM.,DELAY)	9	1	11.11%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	8	0	0.00%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	8	1	12.50%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	4	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	4	1	25.00%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	2	0	0.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	2	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	4	0	0.00%
16	FAIL TO ISSUE DENIAL NOTICE AS REQ.	5	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	10	0	0.00%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	40	2	5.00%
20	OTHER ASSESSMENTS	33	2	6.06%
21	UNSUPPORTED DENIALS	5	0	0.00%

Corrected 6/9/99

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	325
Indemnity	111
Medical Only	111
Denied	101
Complaints	2
Additional Files	0

Audit No: SFO-03-98-R-1 Type: INS
Subject: State Compensation Insurance Fund
Location: Santa Rosa

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	14	\$1,640	\$1,640	\$0		x
2	2	\$180	\$180	\$0		x
3	0	\$0	\$0	\$0		x
4	19	\$4,610	\$4,610	\$0		x
5	0	\$0	\$0	\$0		x
6	31	\$3,080	\$3,080	\$0		x
7	34	\$2,115	\$2,115	\$0		x
8	32	\$800	\$800	\$0		x
9	1	\$80	\$80	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	8	\$2,080	\$2,080	\$0		x
13	4	\$600	\$600	\$0		x
14	3	\$320	\$320	\$0		x
15	15	\$4,900	\$4,900	\$0		x
16	2	\$480	\$480	\$0		x
17	0	\$0	\$0	\$0		x
18 a	3	\$500	\$500	\$0		x
18 b	0	\$0	\$0	\$0		x
18 c	1	\$200	\$200	\$0		x
18 d	8	\$675	\$675	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	1	\$80	\$80	\$0		x
20 a	232	\$14,340	7940*	\$0	x	
20 b	0	\$0	\$0	\$0		x
20 c	1	\$600	\$600	\$0		x
20 d	4	\$320	\$320	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	415	\$37,600	\$31,200	\$0		x

* 214 penalties for materially inaccurate and/or incomplete notices totaling \$13,800 were appealed. The appeal was withdrawn following reduction of the appealed penalty amounts to \$7,400.

Calendar Year: 1998

Exhibit IV

Notices of Compensation Due

Audit No: SFO-03-98-R-1

Subject: State Compensation Insurance Fund

Location: Santa Rosa

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$19.14		\$63.28	\$246.28			\$246.28
2				\$0.70			\$19.84
3				\$15.00			\$15.00
4							\$63.28
5				\$44.50			\$44.50
6				\$364.00			\$364.00
7				\$94.16			\$94.16
8				\$88.09			\$88.09
9	\$382.77						\$18.08
10	\$18.00						\$18.00
		</					

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: SFO-03-98-R-1

Subject: State Compensation Insurance Fund

Location: Santa Rosa

Type: INS

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	87	12	13.79%
2	LATE FIRST PAY OF PD	29	1	3.45%
3	LATE FIRST PAY OF VRMA	8	0	0.00%
4	LATE SUBSEQ INDEM. PAY	66	5	7.58%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	162	25	15.43%
7	LATE BEN. NOTICES (INDEM.,DELAY)	162	35	21.60%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	90	3	3.33%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	70	1	1.43%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	11	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	22	8	36.36%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	17	4	23.53%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	17	2	11.76%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	80	14	17.50%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	103	2	1.94%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N/A	0	0.00%
18	UNPAID INDEMNITY	104	10	9.62%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	9,231	1	0.01%
20	OTHER ASSESSMENTS	323	162	50.15%
21	UNSUPPORTED DENIALS	101	0	0.00%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	320
Indemnity	111
Medical Only	111
Denied	96
Complaints	2
Additional Files	0

Audit No: SAC-03-98-R-1 **Type: INS**
Subject: State Compensation Insurance Fund
Location: Stockton

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	19	\$1,465	\$1,465	\$0		x
2	3	\$1,280	\$1,280	\$0		x
3	1	\$800	\$800	\$0		x
4	16	\$1,750	\$1,750	\$0		x
5	0	\$0	\$0	\$0		x
6	38	\$3,800	\$3,800	\$0		x
7	57	\$3,640	\$3,640	\$0		x
8	2	\$80	\$80	\$0		x
9	0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	10	\$3,720	\$3,720	\$0		x
13	10	\$2,680	\$2,680	\$0		x
14	5	\$2,120	\$2,120	\$0		x
15	4	\$640	\$640	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	10	\$2,600	\$2,600	\$0		x
18 b	2	\$800	\$800	\$0		x
18 c	1	\$100	\$100	\$0		x
18 d	8	\$725	\$725	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	1	\$80	\$80	\$0		x
20 a	72	\$2,160	\$2,160	\$0		x
20 b	1	\$600	\$600	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	8	\$760	\$760	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	268	\$29,800	\$29,800	\$0		x

Calendar Year: 1998

Exhibit IV

Notices of Compensation Due

Audit No: SAC-03-98-R-1

Subject: State Compensation Insurance Fund

Location: Stockton

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$28.57	\$1,748.58	\$46.10				\$28.57
2				\$38.89			\$38.89
3	\$377.83			\$12.99			\$390.82
4				\$84.00			\$84.00
5	\$1,001.98			\$152.20			\$1,154.18
6	\$80.79			\$8.08			\$88.87
7				\$50.40			\$50.40
8	\$248.57			\$8.95			\$257.52
9				\$174.86			\$1,923.44
10				\$34.00			\$34.00
11				\$65.71			\$65.71
12	\$510.14			\$51.01			\$561.15
13	\$39.89						\$39.89
14	\$61.04						\$107.14
15	\$54.00			\$3.60			\$57.60
16				\$36.49			\$36.49
17	\$14.88			\$1.49			\$16.37
Totals:	\$2,417.69	\$1,748.58	\$46.10	\$722.67	\$0.00	\$0.00	\$4,935.04

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: SAC-03-98-R-1

Subject: State Compensation Insurance Fund

Location: Stockton

Type: INS

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	89	19	21.35%
2	LATE FIRST PAY OF PD	33	3	9.09%
3	LATE FIRST PAY OF VRMA	9	1	11.11%
4	LATE SUBSEQ INDEM. PAY	66	4	6.06%
5	LATE PAY OF DEATH BENEFITS	1	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	138	24	17.39%
7	LATE BEN. NOTICES (INDEM.,DELAY)	138	51	36.96%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	84	1	1.19%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	59	0	0.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	9	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	26	10	38.46%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	14	10	71.43%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	10	4	40.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	81	4	4.94%
16	FAIL TO ISSUE DENIAL NOTICE AS REQ.	97	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	116	17	14.66%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	10,334	0	0.00%
20	OTHER ASSESSMENTS	318	75	23.58%
21	UNSUPPORTED DENIALS	96	0	0.00%

Calendar Year: 1998

Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	326
Indemnity	111
Medical Only	111
Denied	98
Complaints	3
Additional Files	0

Audit No: WCK-01-98

Type: INS

Subject: TIG Insurance Company

Location: Concord

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	13	\$1,205	\$1,205	\$0		x
2	8	\$1,090	\$1,090	\$0		x
3	0	\$0	\$0	\$0		x
4	29	\$3,940	\$3,940	\$0		x
5	0	\$0	\$0	\$0		x
6	28	\$2,780	\$2,780	\$0		x
7	21	\$1,140	\$1,140	\$0		x
8	11	\$375	\$375	\$0		x
9	2	\$120	\$120	\$0		x
10	1	\$45	\$45	\$0		x
11	0	\$0	\$0	\$0		x
12	4	\$1,600	\$1,600	\$0		x
13	9	\$3,060	\$3,060	\$0		x
14	0	\$0	\$0	\$0		x
15	4	\$780	\$780	\$0		x
16	1	\$60	\$60	\$0		x
17	0	\$0	\$0	\$0		x
18 a	5	\$900	\$900	\$0		x
18 b	2	\$600	\$600	\$0		x
18 c	1	\$200	\$200	\$0		x
18 d	9	\$300	\$300	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	4	\$240	\$240	\$0		x
20 a	8	\$450	\$450	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	1	\$120	\$120	\$0		x
20 d	10	\$330	\$330	\$0		x
21	0	\$0	\$0	\$0		x
Totals:	171	\$19,335	\$19,335	\$0		x

Calendar Year: 1998
Notices of Compensation Due

Exhibit IV

Audit No: WCK-01-98

Subject: TIG Insurance Company

Location: Concord

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$814.78			\$814.78
2	\$70.27						\$70.27
3	\$30.69			\$0.09			\$30.78
4	\$702.57			\$63.07			\$765.64
5				\$110.00			\$110.00
6	\$32.13						\$32.13
7				\$673.05			\$673.05
8	\$67.71						\$67.71
9			\$190.31	\$23.79			\$214.10
10				\$47.24			\$47.24
11				\$13.54			\$13.54
12		\$200.00		\$48.00			\$248.00
Totals:	\$903.37	\$200.00	\$190.31	\$1,793.56	\$0.00	\$0.00	\$3,087.24

Calendar Year: : 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: WCK-01-98

Subject: TIG Insurance Company

Location: Concord

Type: INS

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	62	12	19.35%
2	LATE FIRST PAY OF PD	29	7	24.10%
3	LATE FIRST PAY OF VRMA	9	0	0.00%
4	LATE SUBSEQ INDEM. PAY	45	12	26.60%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	115	21	18.20%
7	LATE BEN. NOTICES (INDEM.,DELAY)	115	18	15.60%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	122	7	5.70%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	64	1	1.50%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	10	1	10.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	18	3	16.60%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	17	9	52.90%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	3	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	42	4	9.50%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	98	1	1.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	87	10	11.40%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	10,057	1	0.01%
20	OTHER ASSESSMENTS	320	15	4.60%
21	UNSUPPORTED DENIALS	98	0	0.00%

Calendar Year: 1998
Penalty Assessments and Collections

Exhibit III

No. of Files Audited:	26
Indemnity	8
Medical Only	13
Denied	4
Complaints	1
Additional Files	0

Audit No: SFO-08-98-NR-1 **Type: INS**

Subject: Zurich Insurance Group

Location: Schaumburg, IL

Item Number	# of Times Cited	Total \$ Penalties Assessed	Total \$ Amount Collected	Balance Due	Appealed	
					Yes	No
1	2	\$90	\$90	\$0		x
2	0	\$0	\$0	\$0		x
3	0	\$0	\$0	\$0		x
4	5	\$410	\$410	\$0		x
5	0	\$0	\$0	\$0		x
6	8	\$800	\$800	\$0		x
7	0	\$0	\$0	\$0		x
8	1	\$75	\$75	\$0		x
9	1	\$75	\$75	\$0		x
10	0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0		x
12	1	\$500	\$500	\$0		x
13	1	\$500	\$500	\$0		x
14	0	\$0	\$0	\$0		x
15	1	\$500	\$500	\$0		x
16	0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0		x
18 a	3	\$960	\$960	\$0		x
18 b	0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0		x
18 d	5	\$390	\$390	\$0		x
18 e	0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0		x
20 a	1	\$20	\$20	\$0		x
20 b	0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0		x
20 d	2	\$200	\$200	\$0		x
21	1	\$1,500	\$1,500	\$0		x
Totals:	32	\$6,020	\$6,020	\$0		x

Notices of Compensation Due

Subject: Zurich Insurance Group

Type: INS

[illegible]

Calendar Year: 1998

Exhibit V

Frequency of Assessments in Randomly Selected Audited Files

Audit No: SFO-08-98-NR-1

Subject: Zurich Insurance Group

Location: Schaumburg, IL

Type: INS

ITEM NO.	VIOLATIONS RELATED TO:	# OF AUDITED FILES WITH EXPOSURE FOR ASSESSMENTS	# OF AUDITED FILES WITH ASSESSMENTS	% OF FILES WITH ASSESSMENTS
1	LATE FIRST PAY OF TD	5	2	40.00%
2	LATE FIRST PAY OF PD	1	0	0.00%
3	LATE FIRST PAY OF VRMA	0	0	0.00%
4	LATE SUBSEQ INDEM. PAY	5	2	40.00%
5	LATE PAY OF DEATH BENEFITS	0	0	0.00%
6	FAIL TO ISSUE BEN. NOTICES (INDEM.,DELAY)	6	5	83.33%
7	LATE BEN. NOTICES (INDEM.,DELAY)	5	0	0.00%
8	FAIL TO PAY OR OBJECT TO MED. EXPENSES W/IN 60 DAYS	18	3	16.67%
9	FAIL TO PAY OR OBJECT TO M/L EXPENSES W/IN 60 DAYS	5	1	20.00%
10	FAIL TO PAY OR OBJECT TO VR EXPENSES W/IN 60 DAYS	0	0	0.00%
11	FAIL TO ASSIGN QRR AFTER 90 DAYS OF TD	0	0	0.00%
12	FAIL TO ISSUE NOTICE OF VR RIGHTS AFTER 90 DAYS OF TD	1	1	100.00%
13	FAIL TO NOTIFY EMPLOYEE OF MED ELIG. FOR VR AS REQ.	1	1	100.00%
14	FAIL TO NOTIFY EMPLOYEE OF NON-ELIG. FOR VR AS REQ.	0	0	0.00%
15	FAIL TO NOTIFY EMPLOYEE OF PROCEDURE TO EVAL. PD	1	1	100.00%
16	FAIL TO ISSUE DENIALS NOTICE AS REQ.	4	0	0.00%
17	FAIL TO RESPOND TIMELY TO MED. TRTMNT REQUEST	N.A.	0	N.A.
18	UNPAID INDEMNITY	5	3	60.00%
19	CLAIM LOG VIOL. (# OF ENTRIES AND VIOL.)	29	0	0.00%
20	OTHER ASSESSMENTS	26	1	3.85%
21	UNSUPPORTED DENIALS	4	0	0.00%

Exhibit IV

Total
\$1,491.06
\$593.68
\$81.20
\$2,165.94